

## **MVAC MINUTES**

### **April 12, 2000**

Meeting held at State Fleet Management.

- The MVAC worked on how the MVAC should be utilized based upon recent events of NCC. As such, the originating Executive Order was handed out and input was discussed to formulate a new draft of MVAC mission, vision, and goals.
- Responses to the 3/31/2000 due date for NCC mileage band recommendations has not been received by SFM. Agencies felt that they agreed with NCC. They will put that in writing for SFM.
- SFM was working on NCC recommendations. These include:
  - Getting enhanced reports with priority on cost per mile and miles traveled.
  - Vehicle reductions. The identified vehicles have been sent out. Discrepancies should be noted in writing to SFM at which time SFM will be compiling the response to get resolution of issues. This format was used based upon NCC directive over the previous survey response which was not reviewed by NCC.
- SFM handed out a draft of criteria that could be used for evaluating when vehicles are denied repairs. This is more encompassing than "value of vehicle." Feedback from MVAC as well as a better version would be available for the next MVAC.
- A draft of a Safety program for the state was distributed. Comments due back by 4/30/2000 to SFM. Tom Bell from Risk Management would be invited to the next MVAC as he does safety training.
- MVAC meeting are now going to be held on a monthly basis on the 2<sup>nd</sup> Wednesday of each month at SFM starting at 9:30.
- SFM will be working on and getting with each agency for the vehicle replacement decision item. This year is more complicated as SFM needs to update changes to the FY2000 list for a new FY2001 list. This list will then be used to discuss with each agency the identified replacements since funding will come from base budget dollars. At that time, the FY2002 decision item can be built. This will be a more extensive process than before, which is why SFM wants to spend time with each agency.
- Fuel costs continue to rise. Based on previous data, SFM raised the variable rate by \$.01 per mile effective March 1<sup>st</sup>. With new data, SFM is being forced to raise the variable rate once again by another \$.01 per mile. From the beginning of the year, fuel cost has gone from \$.737 per gallon to \$1.10 per gallon. Based on miles traveled, each rise of approximately \$.20 per gallon equates to around \$.01 per mile in increased fuel cost. It appears that fuel costs may be stabilizing but not decreasing. Should fuel return to previous cost, the variable rate will also reflect a decrease.
- There is a commuting rule hearing scheduled for May 2<sup>nd</sup> to gather input on several commuting issues. The primary issue is a change in the rate to a cents per mile basis as opposed to the current per day charge. The notice was handed out.
- Motor Vehicle has implemented the change to new license plates. As a result, this has created extra work for SFM in the form of new fuel cards, data entry changes, and when SFM receives a registration slip – the old license plate is not indicated. SFM will be working to ease this situation with each agency.

- SFM is working to fill summer seasonal needs. So far, it looks promising that needs will be met. However, next year with limited replacements and reductions, seasonal needs will be in jeopardy.
- A recommendation was made to change the variable rates for budgeting purposes from FY end to CY end. This has merit which SFM will look into. We may opt for March end as a timeframe to meet various budgeting requirements. At this time, use existing costs for estimating next year and adjust accordingly for unknown fuel expenses.
- SFM would like input on what you think the 5 year outlook for fleet will look like. Consider changes in technology, information systems, etc. This is a look not necessarily based upon the way that we do business today.
- Next meetings are scheduled for May 10<sup>th</sup> and June 14<sup>th</sup>.